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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

IRA NATHEL and SHELDON NATHEL,

Plaintiffs.

07 CV 10956 (LBS)(HBP)

-against-

RICHARD SIEGAL, GEORGE COLEMAN, HARVEY JOSEPHSON, ROBERT A. TREVISANI, PAUL HOWARD, RICHARD S. GURALNICK; SCHAIN LEIFER GURALNICK; BISTATE OIL MANAGEMENT CORPORATION, SS&T HOLDING CO., LLC, PALACE EXPLORATION COMPANY, TAH DRILLING CO., INC., TAQ DRILLING CO., INC., OIL AND GAS TITLE, HOLDING CORPORATION, JOHN DOES 1-20; JOHN DOE CORPORATIONS 1-20; JOHN DOE LLCs 1-20; and JOHN DOE LLPs 1-20,

Defendants.

RULE 7.1 STATEMENT OF DEFENDANTS RICHARD S. GURALNICK AND SCHAIN LEIFER GURALNICK

Pursuant to Federal Rule of Civil Procedure 7.1 and to enable District Judges and Magistrate Judges of the Court to evaluate possible disqualification or recusal, the undersigned counsel for defendants Richard S. Guralnick ("Guralnick") and Schain Leifer & Guralnick ("SLG") certifies that SLG is a general partnership organized under the laws of the State of New York, that Guralnick is a partner of SLG, and that neither Guralnick nor SLG has any corporate

parents, affiliates and/or subsidiaries which are publicly held, and that there are no publicly held corporations that own ten percent (10%) or more of the stock of SLG.

Dated: January 25, 2008

New York, New York

VEDDER PRICE P.C.

By: s/ John H. Eickemeyer

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